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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92052327
Party	Defendant King of Rock 'N' Roll Music, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Trademark Registration No. 1,909,802

For the Trademark KING OF ROCK 'N' ROLL MUSIC

Registered December 8, 1995

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ELVIS PRESLEY ENTERPRISES, INC.

Cancellation No.  
92052327

Petitioner,

v.

KING OF ROCK 'N' ROLL MUSIC, INC.

Registrant.

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**REPLY MEMORANDUM OF LAW IN SUPPORT OF REGISTRANT'S MOTION FOR  
LEAVE TO AMEND ITS ANSWER.**

Registrant King of Rock 'N' Roll Music, Inc. ("Registrant") submits this *Reply Memorandum of Law in Support of Registrant's Motion For Leave To Amend Its Answer*.

**ARGUMENT**

**I. THE BOARD CAN TREAT REGISTRANT'S ANSWER AS AMENDED BECAUSE  
THE PARTIES TREATED THE UNPLEADED DEFENSE ON ITS MERITS.**

If the parties treat an unpleaded issue on its merits in briefing a motion for summary judgment, and the nonmoving party does not object to the motion on the grounds it is based on an unpleaded issue then "the Board may deem the pleadings to have been amended by agreement of the parties, to allege the matter." TBMP § 528.07(a). See also, *Paramount Pictures Corp. v. White*, 31 U.S.P.Q.2d 1768 (TTAB 1994) (pleading deemed amended because nonmoving party

did not object to motion seeking summary judgment on unpleaded claim).

Here, Petitioner was aware of Registrant's use of the Section 18 defense because it was contained in Registrant's *Memorandum of Law in Opposition to Petitioner's Motion for Summary Judgment and in Support of Registrant's Cross-Motion for Summary Judgment*. Further, Petitioner did not object to the motion on the basis of the unpleaded issue, and proceeded to argue the issue on its merits by insisting that cancellation of the entire registration was the only remedy available to the Board. Petitioner's failure to object to the unpleaded issue, and its treatment of it on the merits constitutes an agreement between the parties to amend the pleadings. Therefore, the Board can deem the pleadings amended notwithstanding this motion for leave to amend pursuant to TMBP §§ 528.07(a)-(b).

**II. REGISTRANT'S USE OF 15 U.S.C. § 1068 AS A DEFENSE IS NOT A "FRIVOLOUS OR HARASSING" RESTRICTION PROCEEDING THAT THE BOARD HAS SOUGHT TO ELIMINATE, AND THEREFORE IS NOT FUTILE.**

In *Eurostar, Inc. v. Euro-Star Reitmoden GmbH & Co. KG*, the Board sought to clarify its application of 15 U.S.C. § 1068 (hereinafter "Section 18."), and accordingly stated,

[W]e believe that, *in a case involving likelihood of confusion*, we should not exercise our authority under Section 18 to permit an action to restrict an application or registration where such a restriction is divorced from the question of likelihood of confusion. We believe, moreover, that a party should be held to have established a proper case for restriction of an application or registration where, *in a case involving likelihood of confusion*, it pleads and proves that (i) the entry of a proposed restriction to the goods or services in its opponent's application or registration will avoid a finding of likelihood of confusion and (ii) the opponent is not using its mark on those goods or services that will be effectively excluded from the application or registration if the proposed restriction is entered. 34 USPQ2d 1266, 1270 (TTAB 1994) (emphasis added).

The above language from *Eurostar* does not support Petitioner's assertion that Section 18

is limited to *only* instances of a likelihood of confusion. In fact, the Board was addressing the use of Section 18 within the context of cases involving a likelihood of confusion, and in light of problems it had encountered in doing so (namely having to make its determination in the “abstract”). *Id.* The text of Section 18 does not limit its use to instances of a likelihood of confusion nor does the text of Trademark Rule 2.133. Although *Eurostar* overruled *Alberto-Culver v. F.D.C. Wholesale Corp Co.*, 16 USPQ 2d 1597 (TTAB 1990) to the extent that the Board would previously only consider Section 18 when tied to a properly pleaded ground for opposition or cancellation (e.g., abandonment) and that a showing of a likelihood of confusion was unnecessary, it was driven to do so with policy considerations in mind that have absolutely no relevance to the proceeding at bar. For example, in reaching its decision in *Eurostar*, the Board’s intention was to “eliminate frivolous or harassing restriction proceedings.” 34 USPQ2d 1266 (TTAB 1994). It also stated that without changes to its application of Section 18 that “the Board might unwittingly encourage the use of TTAB *inter partes* proceedings to harass the owners of existing (and, perhaps, long-held) registrations.” *Id.*

Here, there is no chance of a “frivolous or harassing restriction proceeding” because Registrant, the owner of a “long-held” registration, has sought to amend its own pleading to add Section 18 as a defense to Petitioner’s abandonment claim. It would be quite a stretch for Petitioner to claim that it is the party being subjected to such a “harassing” proceeding when, in fact, it instituted the abandonment proceeding at bar. Further, it is not Petitioner who is the owner of a “long-held” registration that could be subject to frivolous restriction proceedings, but Registrant. If there is any instance in which a party ought to be able to use Section 18 as a defense in the absence of a showing of likelihood of confusion it is here.

Petitioner’s abandonment claim is premised on Registrant’s nonuse of the mark on pre-

recorded music on cassettes, and on Petitioner's erroneous interpretation of the word "phonorecord." Yet, Registrant has used the mark in connection with pre-recorded music since at least as early as 1993, and has done so consistently on compact discs. In the event that the Board finds Registrant's nonuse on cassettes renders it unable to maintain its registration<sup>1</sup> or if the Board agrees with Petitioner's interpretation of "phonorecord," Registrant requests that its goods identification be restricted to conform to the findings of the Board.

Petitioner has also argued that Registrant's proposed amendment is futile, and thus the motion should be denied. Petitioner claims that the deletion of the word "cassettes" from the registration would serve no purpose because the term "phonorecord" includes a "myriad of other objects onto which a sound recording can be fixed," and that Registrant is not using the mark in connection with such a "myriad." However, Registrant is indeed using the mark on compact discs which is unquestionably a type of phonorecord. Additionally, it is firmly established that owners of trademark registrations do not have an obligation to use the mark with all conceivable goods encompassed within a registration.<sup>2</sup> To the extent that the Board finds "phonorecord" is an overbroad description, Section 18 is the appropriate remedy by which the Board can limit Registrant's description of goods so that it can maintain its long-held registration. Allowing a Section 18 remedy in the case at bar would not pose any of the threats to owners of trademark registrations that the Board expressed its fear of in *Eurostar*. In light of the specific circumstances of the case at bar, including Registrant's long-held registration, such a remedy is also supported by equitable principles.

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<sup>1</sup> It must be noted that such nonuse is analogous to a change in the formula, type or blend of a product and is not abandonment. See *McCarthy On Trademarks* 17:24 (2010))

<sup>2</sup> Footnote 2 of ALJ R.L. Simms concurring opinion in the *Eurostar* case is instructive here. ALJ Sims states, "One can read the entire chapter on abandonment in J.T. McCarthy's latest edition of his treatise in vain to find a discussion of this kind of "abandonment"—that is, that a registrant, despite continuous use of the mark on the goods listed in the registration, has "abandoned" its mark because it may not have used its mark on all conceivable goods encompassed within a description (in connection with, say, all types of "men's shirts") or in all of the channels of trade possible for those goods."

Petitioner's arguments that leave to amend the *Answer* should be denied because the amendment would not resolve the issues in the case are also baseless. Determination of a Section 18 petition is deferred until after the issues in a motion for summary judgment are resolved. See TMBP § 514.03 (citing 37 CFR §§ 2.133(a)-(b)). Thus, there is no requirement that Registrant's amendment resolve all the issues currently before the Board.

### **CONCLUSION**

The Board can treat the *Answer* as having been amended as a result of the parties treating the Section 18 defense on the merits in their respective papers filed in connection with the competing motions for summary judgment. Notwithstanding the foregoing, Registrant disagrees with Petitioner's assertion that Section 18 should only apply in instances of likelihood of confusion. There is no danger of the type of "harassing or frivolous" proceeding contemplated by the Board if Petitioner is allowed to amend its *Answer* here.

WHEREFORE, it is respectfully requested that *Registrant's Motion For Leave To Amend Its Answer* be granted.

Respectfully submitted,

The Jacobson Firm, P.C.

DATED: January 24, 2011  
New York, N.Y.

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CERTIFICATE OF SERVICE

I, Jeffrey E. Jacobson, Esq., hereby certify that a copy of REPLY BRIEF IN SUPPORT OF REGISTRANT'S MOTION FOR LEAVE TO AMEND ITS ANSWER has been served upon:

Seth A. Rose  
Loeb & Loeb  
321 North Clark Street, Suite 2300  
Chicago, IL 60654

via first class mail, postage prepaid and via email, this 24<sup>th</sup> day of January, 2011.

/Jeffrey E. Jacobson/  
Jeffrey E. Jacobson, Esq.